

SUBCHAPTER D—VESSEL FINANCING ASSISTANCE

PART 298—OBLIGATION GUARANTEES

Subpart A—Introduction

- Sec.
- 298.1 Purpose.
- 298.2 Definitions.
- 298.3 Applications.

Subpart B—Eligibility

- 298.10 Citizenship.
- 298.11 Vessel requirements.
- 298.12 Applicant and operator's qualifications.
- 298.13 Financial requirements.
- 298.14 Economic soundness.
- 298.15 Investigation fee.
- 298.16 Substitution of participants.
- 298.17 Evaluation of applications.
- 298.18 Financing Shipyard Projects.
- 298.19 Financing Eligible Export Vessels.

Subpart C—Guarantees

- 298.20 Term, redemptions, and interest rate.
- 298.21 Limits.
- 298.22 Amortization of Obligations.
- 298.23 Refinancing.
- 298.24 Financing a Vessel more than a year after delivery.
- 298.25 Excess interest or other consideration.
- 298.26 Lease payments.
- 298.27 Advances.

Subpart D—Documentation

- 298.30 Nature and content of Obligations.
- 298.31 Mortgage.
- 298.32 Required provisions in documentation.
- 298.33 Escrow fund.
- 298.34 Construction fund.
- 298.35 Title XI Reserve Fund and Financial Agreement.
- 298.36 Guarantee Fee.
- 298.37 Examination and audit.
- 298.38 Partnership agreements and limited liability company agreements.
- 298.39 Exemptions.

Subpart E—Defaults and Remedies, Reporting Requirements, Applicability of Regulations.

- 298.40 Defaults.
- 298.41 Remedies after default.
- 298.42 Reporting requirements—financial statements.
- 298.43 Applicability of the regulations.

Subpart F—Administration [Reserved]

AUTHORITY: 46 App. U.S.C. 1114(b), 1271 *et seq.*; 49 CFR 1.66.

SOURCE: 65 FR 45152, July 20, 2000, unless otherwise noted.

Subpart A—Introduction

§ 298.1 Purpose.

This part prescribes regulations implementing Title XI of the Merchant Marine Act, 1936, as amended, governing Federal ship financing assistance (46 App. U.S.C. 1271 *et seq.*). This part uses “you” and “we” throughout. You and your refer to the applicant for Title XI financing assistance unless we note or imply otherwise. We, us, and our refer to the Maritime Administration, the Secretary of the Maritime Administration, or the Secretary of Transportation, as applicable.

§ 298.2 Definitions.

For the purpose of this part:

Act means the Merchant Marine Act, 1936, as amended (46 App. U.S.C. 1101 through 1294).

Actual Cost of a Vessel or Shipyard Project means, as of any specified date, the aggregate, as determined by us, of all amounts paid by or for the account of the Obligor on or before that date and all amounts which the Obligor is then obligated to pay from time to time thereafter, for the construction, reconstruction or reconditioning of such Vessel or Shipyard Project.

Advanced Shipbuilding Technology means:

(1) Numerically controlled machine tools, robots, automated process control equipment, computerized flexible manufacturing systems, associated computer software, and other technology for improving shipbuilding and related industrial production which advance the state-of-the-art; and

(2) Novel techniques and processes designed to improve shipbuilding quality, productivity, and practice, and to